

Banking in a World of Stablecoins and Tokenized Assets

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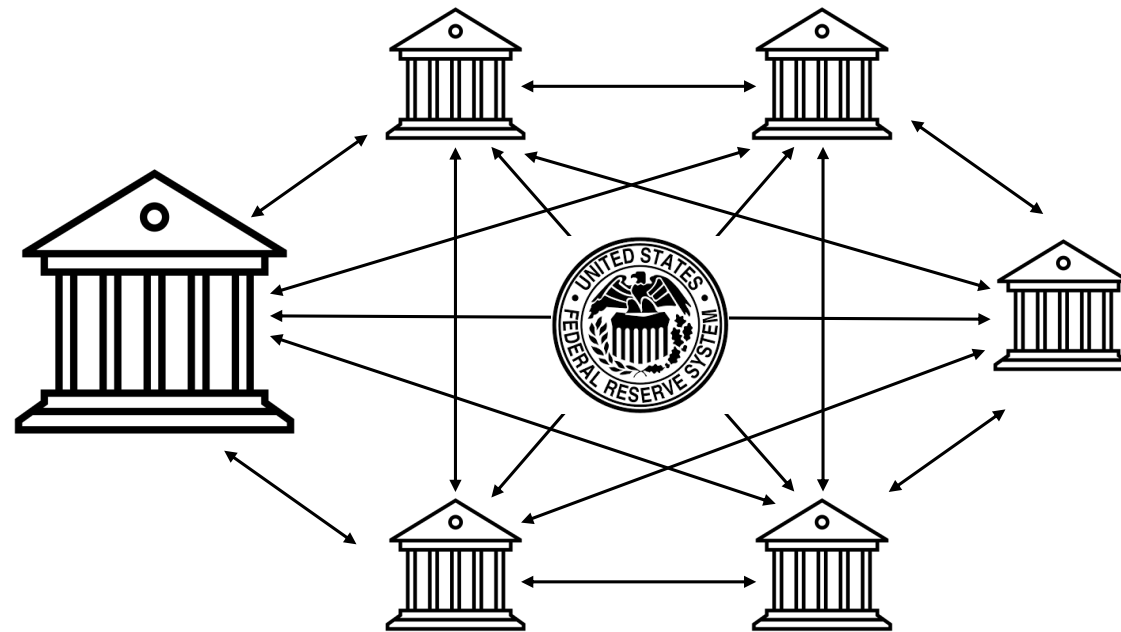
Federal Reserve Bank of Atlanta | May 2026

The conventional bank-based payment system



Key network features

- Based on a very specific type of node—*banks*—that is subject to relatively homogeneous regulation
- Hub-and-spoke network structure organized around central banks and FMUs
- Central banks play an important role in creating and regulating infrastructure and providing liquidity

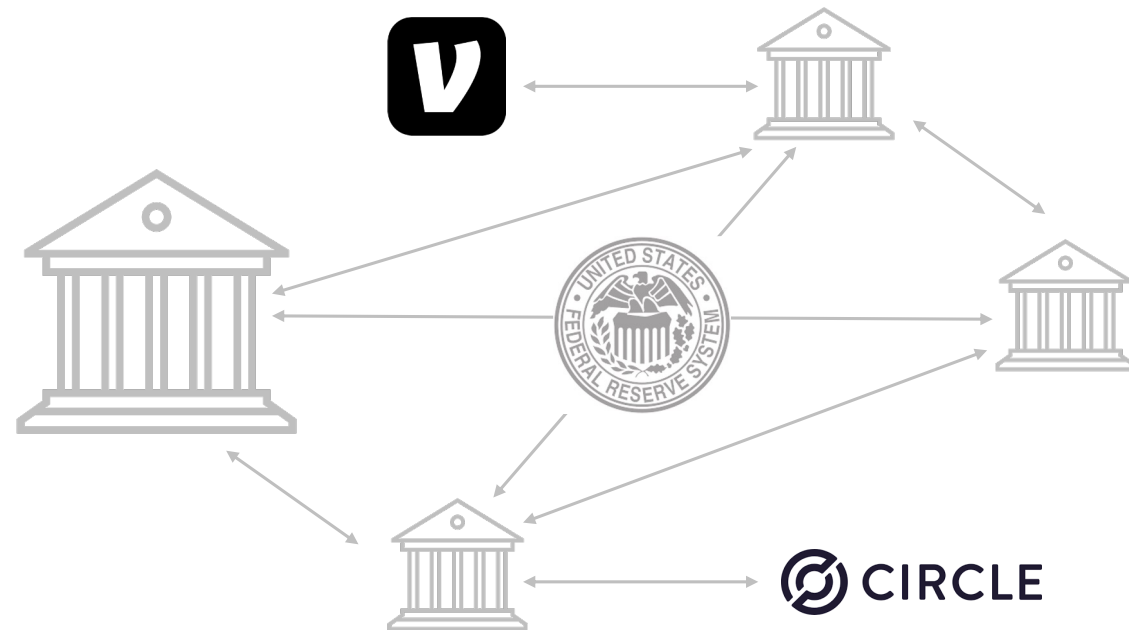


Emerging payment institutions and networks



Key network features

- Based on new institutional nodes often subject to heterogeneous regulation
- At present, typically connected to conventional hub-and-spoke network structure via banks

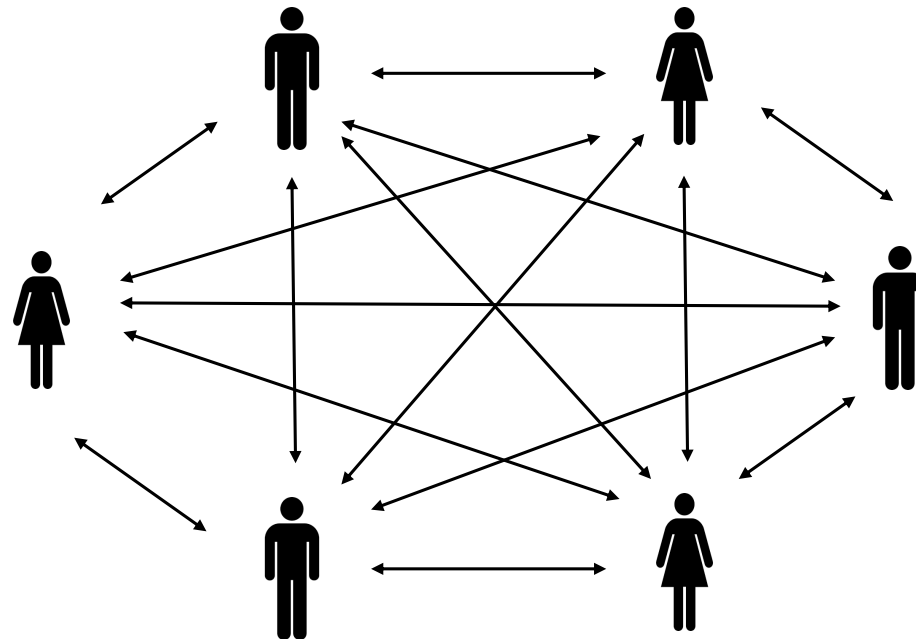


Emerging payment institutions and networks



Key network features

- Based on new institutional nodes often subject to heterogeneous regulation
- At present, typically connected to conventional hub-and-spoke network structure via banks
- But over the longer term, often attempting to execute a shift towards a decentralized web-based network structure

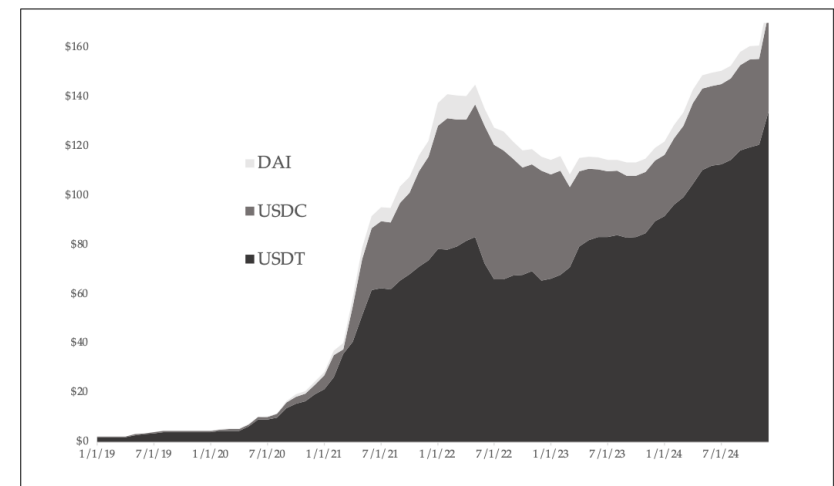


The core policy challenge

- U.S. banks are a critical source of *good money*, but their comparative technological disadvantages have translated into *bad payments*.
- Emerging nonbank payment platforms often leverage their comparative technological advantages to deliver *good payments*, but can force consumers to hold and use *bad money*.
- The core policy challenge: combining good money and good payments.



Market Capitalization of Top Three Stablecoins (USD billions)



Source: CoinMarketCap.com (own calculations)

A policy blueprint



Goal	Principal drivers	Key benchmarks
Good <i>money</i>	<ul style="list-style-type: none">• Law• Institutions	<ul style="list-style-type: none">• Stable nominal value• Widely accepted means of payment
Good <i>payments</i>	<ul style="list-style-type: none">• Technology• Network design• Network governance	<ul style="list-style-type: none">• Cost• Speed• Security• Convenience• Accessibility• Interoperability

A policy blueprint



The Conventional Policy Template for *Bank-based Payments*

Good <i>money</i>	Good <i>payments</i>
<ul style="list-style-type: none">• Bank chartering frameworks• Prudential regulation and supervision• Deposit insurance• Emergency liquidity assistance• Special resolution frameworks	<ul style="list-style-type: none">• Open access rules for central bank reserve accounts and FMUs• Interoperability rules for FMUs• Open finance protocols• Payment network governance

A policy blueprint



U.S. Bank Regulation Today

	Good <i>money</i>	Good <i>payments</i>	
A-	• Bank chartering frameworks	• Open access rules for central bank reserve accounts and FMUs	C
A-	• Prudential regulation and supervision	• Interoperability rules for FMUs	B-
A-	• Deposit insurance	• Open finance protocols	C
A-	• Emergency liquidity assistance	• Payment network governance	D
A-	• Special resolution frameworks		

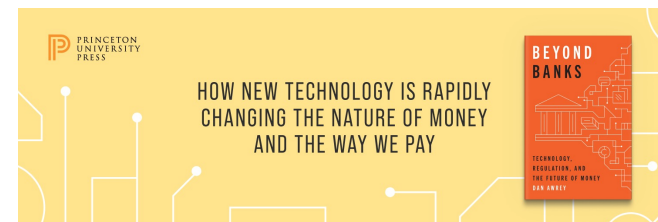
A policy blueprint



A Theoretical Policy Blueprint for *Nonbank-based Payments*

Good <i>money</i>	Good <i>payments</i>
<ul style="list-style-type: none">• A payments charter• Constraints on intermediation• Structural separation• Borrowing, lending, and activity restrictions• A streamlined resolution framework	<ul style="list-style-type: none">• Open access rules for central bank reserve accounts and FMUs• Interoperability rules for FMUs• Open finance protocols• Payment network governance

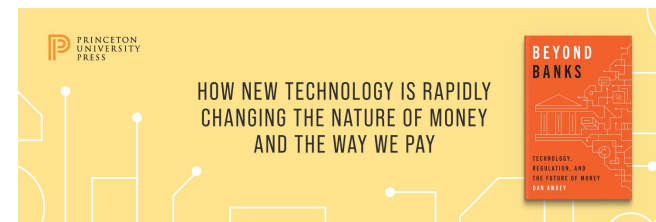
A policy blueprint



Nonbank Payments *before* the GENIUS Act

	Good <i>money</i>	Good <i>payments</i>	
C-	• A payments charter	• Open access rules for central bank reserve accounts and FMUs	C
C-	• Constraints on intermediation		
D	• Structural separation	• Interoperability rules for FMUs	B-
C-	• Borrowing, lending, and activity restrictions	• Open finance protocols	C
D	• A streamlined resolution framework	• Payment network governance	D

A policy blueprint



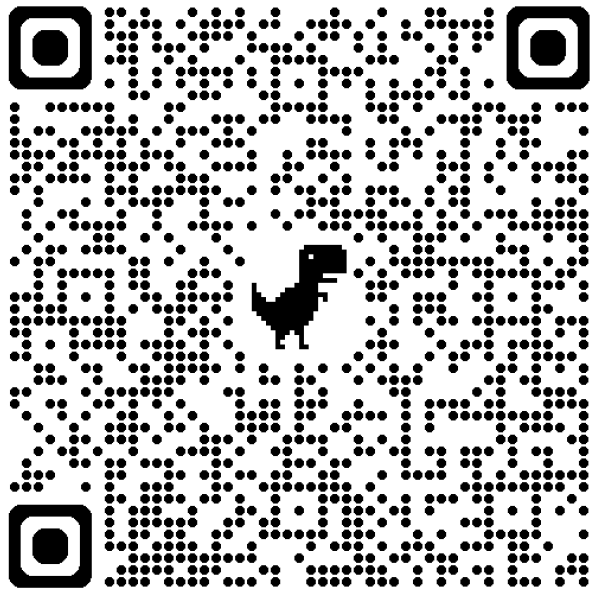
Nonbank Payments *after* the GENIUS Act

	Good <i>money</i>	Good <i>payments</i>	
B-	• A payments charter	• Open access rules for central bank reserve accounts and FMUs	C
B+	• Constraints on intermediation		
B+	• Structural separation	• Interoperability rules for FMUs	B-
B	• Borrowing, lending, and activity restrictions	• Open finance protocols	C
D	• A streamlined resolution framework	• Payment network governance	D

Looking ahead

- The promise and perils of tokenized deposits
- Fixing cross-border payments
- The geopolitical dimensions of cross-border payment infrastructure
- Technological and regulatory integration of payments infrastructure and securities clearing and settlement systems





BEYOND BANKS

TECHNOLOGY,
REGULATION, AND
THE FUTURE OF MONEY
DAN AWREY

